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# IT Plan – Agency Submitted

414 SECURITIES DEPARTMENT

Version: 2007-B-01-00414

Project: Infrastructure

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Date: 10/13/2006

Time: 7:23:06 AM

Page 1 of 8

## Agency IT Overview

### AGENCY OVERVIEW

#### Agency Mission Statement:

The North Dakota Securities Department exists to protect North Dakota investors.

To accomplish this we will:

1. Maintain the integrity of the marketplace for securities, franchises and commodities in North Dakota.
2. Exact high standards of those who seek to use the money of others.
3. Review sales practices of securities firms and salespeople.
4. Maintain investor confidence in our capitalistic economy.
5. Protect honest enterprise from dishonest competition.
6. Assist in the formation of capital for business and economic development.
7. Provide public information and education about investment securities.

#### Agency Programs and Services:

The Securities Department administers and enforces North Dakota Century Code Chapters 10-04 (the Securities Act of 1951), 51-19 (the Franchise Investment Law), 51-23 (the Commodities Act), and 43-42-01 (the Pre-Need Funeral Service Contracts.).

The function of the office and its staff is to regulate the offer and sale of securities and franchises and the securities industry in North Dakota. The Department's jurisdiction encompasses virtually all securities and franchises offered and sold in North Dakota or to North Dakota residents. Statutes require registration of all securities and franchises offered for sale in North Dakota unless there is an applicable exemption. Statues require registration of all securities and franchise offered for sale in North Dakota unless there is an applicable exemption. Statutory exemptions cover situations where because of the nature of the security or franchise or the character of the transaction, registration is not deemed necessary in the public interest nor for the protection of investors.

All persons who propose to act as brokers, dealers, investment advisors, investment advisor representatives and agents for the sale of securities in North Dakota must be registered with the Department prior to engaging in such activities (with limited exemptions).

The Securities Department is responsible for investigation of alleged violations of the securities laws, and initiatives administrative and civil proceedings when deemed appropriate. The Department maintains a close working relationship and cooperates with various city, county, state, national and international law enforcement and regulatory agencies. Cases involving criminal violations are referred to the States Attorney of the various counties, the Attorney General, or the U.S. Attorney. In such instances, the Department generally provides ongoing investigative and prosecutorial assistance.

In conjunction with regulation and enforcement activities, the Securities Department is responsible for promoting investor education and for fostering the formation of capital by legitimate business enterprises.

#### Impact of Technology:

Vital in maintaining, retrieving and assimilating registration and enforcement information for the department, the industry and the general investing public, securitization of private and enforcement related materials. and a tool for market surveillance, investigation and communication with other regulatory and law enforcement agencies.

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---

Date: 10/13/2006

Time: 7:23:06 AM

Page 2 of 8

## Future Impact of Technology:

Phenomenal growth in the financial services industry and huge increases in registration and enforcement make it vital we continue to increase our efficiency and effectiveness to process and possess information and make it available quickly to the investing public.

## Alignment with Statewide IT Plan

- A. State government should be customer focused.
  - 1. We provide on-line registration requirements for Broker Dealer and Investment Advisor firms, individual securities offerings and Franchises.
  - 2. We provide on-line public and investor education resources
- B. State Government should be efficient.
  - 1. We use technology to improve staff efficiency with regard to registration, enforcement and investigation turnaround and respond time for industry and constituents.
- C. State government should be well managed.
  - 1. We have established a rational replacement cycle for current equipment. We make replacement versus upgrading based on cost effectiveness.
  - 2. We have instituted staff application software training.
  - 3. We are effectively using IT planning.
- D. State government should provide the leadership for developing a shared infrastructure.
  - 1. We employ technology to deliver investor education resources via the Internet and to produce more multimedia educational materials.
  - 2. We employ the Internet and other technology resources to provide better access to capital markets for legitimate businesses.

## Accomplishments:

Complete purchases of agency technology equipment to maintain a 4 year 100% equipment replacement schedule. And purchased additional technology needs for 2005-07 FTE and Fargo branch office approved by the 2005-07 legislature.

## Agency IT Plan Contact Data

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---

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Time: 7:23:06 AM

Page 3 of 8

## Agency Technology Goals And Objectives

Goals and Objectives:

Goals:

1. To improve infrastructure to enable staff to be more efficient and to utilize technology to improve customer service.

Objective(s):

- 1 Maintain, Upgrade or update operating system software.
3. Maintain at a minimum the current level of telecommunication and data processing.
4. Maintain IT created MS Access 2000 windows based registration program.
5. Implement a document and information solution for storage, security and accessibility.

No Major Activities Planned.

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Version: 2007-B-01-00414

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Time: 7:23:06 AM

Page 4 of 8

**1. If applicable, describe the reason for any extraordinary increase or decrease in your infrastructure costs.**

Our infrastructure cost increases are due to ITD increase costs

**2. Total number of desktop computers:** 3  
**Number of desktops for which you are requesting replacement funding:** 0  
**Average replacement cost/desktop:** 0

**3. Total number of laptop computers:** 6  
**Number of laptops for which you are requesting replacement funding:** 0  
**Average replacement cost/laptop:** 0

**What state planning region are these desktop/laptop computers located?**

**Region 1** 1 2 0 3 0 4 0 5 0 6 0 7 8 8 0

**4. What percentage of these pcs are running the following operating systems:**

(total should be equal to 100%)

**Windows 98** 0 %  
**Windows NT** 0 %  
**Windows 2000** 0 %  
**Windows XP** 100 %  
**Other** 0 %

**5. What additional expenditures are being paid out of non-appropriated funds?** 0

**Please explain:**

**Agency Technology Activities**

This Is a Test

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414 SECURITIES DEPARTMENT

Version: 2007-B-01-00414

Project: Infrastructure

Date: 10/13/2006

Time: 7:23:06 AM

Page 5 of 8

		CURRENT APPROPRIATION	BUDGET REQUEST	OPTIONAL ADJUSTMENTS	REQUEST PLUS OPTIONALS	SUBSEQUENT BIENNIUM
IT5310	IT SOFTWARE AND SUPPLIES	\$3,905	\$2,200	\$0	\$2,200	\$2,797
IT5510	IT EQUIPMENT UNDER \$5000	\$31,350	\$3,270	\$0	\$3,270	\$21,000
IT6010	IT DATA PROCESSING	\$28,144	\$26,032	\$0	\$26,032	\$26,032
IT6020	IT COMMUNICATIONS	\$16,100	\$18,120	\$0	\$18,120	\$18,120
IT6030	IT CONTRACT SERVICES & REPAIRS	\$6,200	\$6,093	\$0	\$6,093	\$250
	<b>Total Budget:</b>	<b>\$85,699</b>	<b>\$55,715</b>	<b>\$0</b>	<b>\$55,715</b>	<b>\$68,199</b>
001	STATE GENERAL FUND	\$85,699	\$55,715	\$0	\$55,715	\$68,199
	<b>Total Funding:</b>	<b>\$85,699</b>	<b>\$55,715</b>	<b>\$0</b>	<b>\$55,715</b>	<b>\$68,199</b>

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414 SECURITIES DEPARTMENT

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Project: 002 Document, space solution

---

Date: 10/13/2006

Time: 7:23:06 AM

Page 6 of 8

Agency Priority - 2

Project Type: Ongoing initiative

## Project description

Document scan, file, storage and retrieval

## Briefly describe the business need or problem driving the proposed project.

Physical file and storage space restrictive. Registration materials not easily available to general investing public.

## Describe how the project is consistent with the organizations mission.

Vital in maintaining, retrieving and assimilating registration and enforcement information for the department, the industry and the general investing public, securitization of private and enforcement related materials.

## Describe the anticipated benefits of the project and who will derive the benefits.

Looking for ways to remain efficient and effective with an ever increasing work load and the same number of FTE's.

## Describe the impact of not implementing the project.

Physical file space is eroding office space. Retention schedules will need to be shortened and some files will be need to be moved to the vault, decreasing s

## Identify any risks associated with implementing this project and explain how the risks will be mitigated.

Not aware of any risks.

## Describe the additional costs?

None

Enter any additional costs for the project that are not included in IT Object Codes used in the Project Cost Screen?

Additional Costs? - \$0

Optional Project Costs - \$0

**Total Project Cost? - \$29,984**

**Tot Proj Costs + Optionals - \$29,984**

## What additional expenditures are being paid out of non-appropriated funds?

None

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Page 7 of 8

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Time: 7:23:06 AM

Page 8 of 8

		CURRENT APPROPRIATION	BUDGET REQUEST	OPTIONAL ADJUSTMENTS	REQUEST PLUS OPTIONALS	SUBSEQUENT BIENNIUM
IT5310	IT SOFTWARE AND SUPPLIES	\$0	\$5,542	\$0	\$5,542	\$2,500
IT5510	IT EQUIPMENT UNDER \$5000	\$0	\$9,000	\$0	\$9,000	\$0
IT6010	IT DATA PROCESSING	\$0	\$15,442	\$0	\$15,442	\$15,000
IT6020	IT COMMUNICATIONS	\$0	\$0	\$0	\$0	\$0
IT6030	IT CONTRACT SERVICES & REPAIRS	\$0	\$0	\$0	\$0	\$0
Total Budget:		\$0	\$29,984	\$0	\$29,984	\$17,500
001	STATE GENERAL FUND	\$0	\$29,984	\$0	\$29,984	\$17,500
Total Funding:		\$0	\$29,984	\$0	\$29,984	\$17,500